

**EHB 1074**

**THE STATE SENATE**  
**Monday, March 30, 2009**

**ENGROSSED**

**House Bill No. 1074**

**As Amended**

ENGROSSED HOUSE BILL NO. 1074 - By: Cooksey, Shelton and Terrill of the House and Sykes of the Senate.

**[ prisons and reformatories - canteen system operations - state employees - effective date ]**

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 57 O.S. 2001, Section 537, as amended by Section 3, Chapter 171, O.S.L. 2008 (57 O.S. Supp. 2008, Section 537), is amended to read as follows:

Section 537. A. There shall be established a Canteen System Board of Directors for all canteen system services operated within the Department of Corrections. The members of the Canteen System Board shall be appointed by the Director of the Department of Corrections. All canteen system operations shall be under the control of the Canteen System Board and shall operate pursuant to written guidelines established by the Board. The overall canteen operation composed of all correctional facility canteen operations, inmate telephone systems and inmate electronic mail systems shall be collectively called the Canteen System and such system shall be required to be self-supporting from sales receipts.

1           B. Each correctional facility may have a canteen system  
2 operation. Each facility canteen system when established shall  
3 require the warden of such facility or a designee to oversee the  
4 day-to-day canteen system operations according to the guidelines set  
5 by the Canteen System Board. The Chief Financial Officer of the  
6 Department shall act as custodian of all canteen system funds and be  
7 responsible for all expenditures from the canteen system accounts.  
8 The Chief Financial Officer shall make daily deposits of all sales  
9 receipts in the canteen system accounts. Canteen system profits  
10 generated by items or services for resale shall be identified  
11 monthly by the Chief Financial Officer and transferred periodically  
12 from the canteen system account to the Department of Corrections  
13 Inmate and Employee Welfare and Canteen System Support Revolving  
14 Fund. All disbursements made from the canteen system account shall  
15 be by voucher approved by the Chief Financial Officer and shall be  
16 payable through the Office of the State Treasurer. Documentation of  
17 each disbursement shall be kept on file by the Department. Canteen  
18 system records may be disposed of in accordance with the records  
19 disposition schedule approved by the Archives and Records  
20 Commission. The Department shall notify the State Records  
21 Administrator thirty (30) days in advance of its intent to dispose  
22 of any canteen records. The Department shall follow accounting  
23 procedures in accordance with state fiscal accounting procedures in

1 administering canteen system funds. All profits from the canteen  
2 system shall be used exclusively for the benefit of the inmates of  
3 the various institutions and personnel of the Department of  
4 Corrections and support of canteen system operations as determined  
5 by the Canteen System Board of Directors pursuant to subsection A of  
6 this section.

7 C. ~~Employees utilized in the operation of the canteen services~~  
8 ~~at each institution shall be state employees.~~ Inmates may work in a  
9 correctional facility canteen and shall receive reimbursement for  
10 such work through the institution incentive pay program.

11 D. All correctional facilities canteen system operations and  
12 canteen system accounts shall be subject to an annual audit by the  
13 Office of the State Auditor and Inspector. Reports of the audit  
14 shall be provided to the Governor, the Speaker of the House of  
15 Representatives, the President Pro Tempore of the Senate, the  
16 Legislative Service Bureau, the Department of Corrections, and to  
17 the warden of the concerned institution.

18 E. Merchandise and services to be purchased for resale or  
19 distribution through the canteen system, inmate telephone equipment  
20 or services, and inmate electronic mail equipment and services shall  
21 be purchased by voucher drawn against canteen system accounts and  
22 all such purchases of goods and services shall be exempted from the  
23 provisions of The Oklahoma Central Purchasing Act. All revenues

1 from canteen operations, inmate telephone system services and inmate  
2 electronic mail system operations shall be used exclusively for the  
3 benefit of the inmates of the various institutions and personnel of  
4 the Department of Corrections as determined by the Canteen System  
5 Board of Directors.

6 SECTION 2. This act shall become effective November 1, 2009.

7 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 3-25-09 - DO  
8 PASS, As Amended.